

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

August 28, 2006

Tracy Burnham Castle Valley Stone, LLC 3231 North Millcreek Road Pleasant Grove, Utah 84062

Subject:

Complete Notice of Intention to Commence Small Mining Operations and Approval of Form and Amount of Reclamation Surety, Castle Valley Stone, Reef Mine, M0150094, Task 1454, Emery County, Utah

Dear Mr. Burnham:

The Division finds your notice of intention (Notice) complete and approves the reclamation surety for the Reef Mine. You are now permitted to conduct small mining operations as outlined in the Notice provided you have written approval from the School and Institutional Trust Lands Administration and any other appropriate agency.

Please keep in mind the following regulatory requirements.

- The Division must be notified no later than 30 days after beginning mining operations.
- Mining disturbance is only allowed in the area identified in the Notice and Reclamation Contract.
- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material are worth saving to aid in later revegetation efforts, and future regulatory surety release.
- We have received Utah Division of State History notification that no surveys for cultural resources have been completed in the area, so there are no known historic properties that would be affected. If you disturb additional area, particularly any of the cliffs, a cultural resources survey is recommended. Please be advised that if you encounter any archaeological or historical concerns, we recommend that you immediately cease operations and notify this office and State History of your find.
 - Permit fees are due July 30.
 - Annual reports are due by December 31st.
 - The reclamation surety will be reviewed every 3 years.
- The Division request that the disturbed area boundary (including assess/haul roads) be marked with metal T-posts to identify the area permitted for mining.

Page 2 of 2 Tracy Burnham M0150094 August 28, 2006

The Division's web page at http://ogm.utah.gov/ under the Mining Program has a link to the rules you are expected to operate under and other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number M0150094. If you have questions or concerns regarding this letter, please contact me at (801) 538-5258 or Paul Baker at 538-5261. Best wishes with your mining venture.

Sincerely,

Susan M. White

Mine Program Coordinator Minerals Regulatory Program

Juan M. White

SMW:PBB:pb

Enclosure: Copy of RC & surety forms

John Blake, SITLA

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